Armenia and the EU

Once ratified by all parties, the EU relations with Armenia will be based on the EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA), which was signed on November 24, 2017. The CEPA will provide for strengthening of cooperation in the areas of mutual interest, in particular in political, economic and sectorial fields.

The CEPA provides for a very solid basis to further enhance reform agenda in the areas of mutual interest. The European Union and the Republic of Armenia have committed themselves to work together for the benefit of the citizens of Armenia and the European Union, notably to contribute to the strengthening of democracy and of political, economic and institutional stability. Both sides committed to promote, preserve and strengthen peace and stability at both regional and international level and to enhance cooperation in the area of freedom, security and justice with the aim of reinforcing the rule of law and respect for human rights and fundamental freedoms.

Armenia was included (as a Southern Caucasus country) in the European Neighbourhood Policy (ENP) in 2004 and in the Eastern Partnership in 2009.

In the framework of the revised European Neighbourhood Policy and the Eastern Partnership, the new Agreement replaces the previous EU-Armenia Partnership and Cooperation Agreement (1999), which provided for a wide-ranging cooperation in the areas of political dialogue, trade, investment, economy, law-making and culture.

Political relations

New agreement with Armenia

On 2 January 2015, Armenia joined the Eurasian Economic Union (EEU) (with Russia, Belarus, Kazakhstan and Kyrgyzstan). Despite Armenia’s decision in September 2013 not to sign the Association Agreement with the EU, including a Deep and Comprehensive Free Trade Area Agreement (AA/DCFTA), Armenia and the EU continue their political and trade dialogue in areas where this is compatible with Armenia’s new obligations to the EEU.
On 12 October 2015, the Foreign Affairs Council authorised the European Commission and the High Representative of the EU for Foreign Affairs and Security Policy/ Vice-President of the European Commission to open negotiations on a new, legally binding and overarching agreement with Armenia, and adopted the corresponding negotiating mandate. The negotiations were officially launched on 7 December 2015 by the High Representative and the Armenian Foreign Minister. In March 2017, the negotiations were successfully concluded and the Comprehensive and Enhanced Partnership Agreement (CEPA) was initialed in Yerevan by both parties. On November 24, 2017, the Agreement was signed by the High Representative /Vice-President F. Mogherini and the Armenian Foreign Minister E. Nalbandian in the presence of the President of the European Council Donald Tusk and the President of the Republic of Armenia Serzh Sargsyan.

EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA)

Press release on CEPA

Eastern Partnership framework

The Fifth Eastern Partnership Summit took place on November 24, 2017 in Brussels. The Summit Declaration welcomed the “20 Deliverables for 2020” to provide tangible results for the citizens of the European Union and six Eastern Partnership countries in a transparent and inclusive manner.

The parties expressed in the joint Declaration their interest to intensify cooperation in the revised multilateral framework which will better support political objectives of the Eastern Partnership. The “20 Deliverables for 2020” are conceived as a working tool designed in an inclusive manner with all stakeholders to closely and regularly monitor the implementation of the agreed deliverables in a results-oriented, comprehensive and systematic manner, ensuring common ownership and joint commitment and complementarity with bilateral priorities.

The Annex of the Summit Declaration specifies four priority areas in which all partners committed to deliver tangible benefits to the daily lives of their citizens.

a. **Stronger economy**: economic development and better market opportunities;

b. **Stronger governance**: strengthening of institutions and good governance;

c. **Stronger connectivity**: enhancing connectivity, notably in the areas of transport and energy, as well as environment and climate change;

d. **Stronger society**: increasing mobility and contacts between people.

The cross-cutting deliverables are vibrant civil society, gender equality and non-discrimination and strengthened, clearer and tailor-made strategic communication (including StratCom EAST) which will lead to better understanding of the EU among the citizens across the Eastern neighbourhood, as well as a better understanding of partner countries and the Eastern Partnership among the EU citizens.

*The 20 Deliverables for 2020* also foresee a support to media plurality and their independence in partner countries to improve accountability as well as resilience against disinformation.

*The 20 Deliverables* foresee supporting businesses and providing loans in local currencies, in partnership with key International Financial Institutions; improving the capacity of partner countries to take advantage of the trade opportunities with the EU and with each other; energy efficiency reforms; developing better and safer transport links by 2030; a digital package and a substantial new support to youth and education.
EU-Armenia Common Aviation Area Agreement

On November 24, 2017 the EU-Armenia Common Aviation Area Agreement was initialled in Brussels. The Aviation Agreement will improve market access on both sides and provide for better connectivity, resulting in more choice, better services and lower fares for all travellers. Furthermore, this agreement will contribute to increasing tourism, and contribute to economic growth and job creation. It is estimated that the agreement with Armenia will increase the passenger numbers by up to 87,000 and bring up to €16 million of consumer surplus over the first five years of the agreement.

More: EU-ARM Common Aviation Agreement

EU assistance to Armenia

As part of the European Neighbourhood Policy, Armenia benefits from the European Neighbourhood Instrument (ENI).

The EU is providing financial assistance to Armenia and will increase it in the coming year to ensure the effective implementation of the CEPA. The planned amount of the EU assistance to Armenia for the period 2017-2020 is up to €160 million.

<table>
<thead>
<tr>
<th>Area</th>
<th>Indicative % of total bilateral allocations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic development and market opportunities</td>
<td>35 %</td>
</tr>
<tr>
<td>Strengthening institutions and good governance</td>
<td>15 %</td>
</tr>
<tr>
<td>Connectivity, energy efficiency, environment and climate change</td>
<td>15%</td>
</tr>
<tr>
<td>Mobility and people-to-people contacts</td>
<td>15 %</td>
</tr>
<tr>
<td>Complementary support for capacity development/institution building and strategic communication</td>
<td>15%</td>
</tr>
<tr>
<td>Complementary support for civil society development</td>
<td>5 %</td>
</tr>
</tbody>
</table>

The budget for Armenia under the Single Support Framework 2014-2017’s final allocations will depend on the country's needs and commitment to reforms.

The strategy for cooperation under the ENI (European Neighbourhood Instrument) has been developed in close consultation with the Armenian authorities. An increasing share of EU financial support is provided as budget sector support, which means that certain reform targets need to be met before money is paid.

The three EU priorities of the Single Support Framework 2014 - 2017 are:

- Private sector development

- Public administration reform
Greater mobility with EU

The Mobility Partnership with Armenia was signed in 2011. Both sides committed to improve mobility of people in both directions, whilst working to ensure better management of migration flows, including preventing and reducing irregular immigration. The EU-Armenia Visa Facilitation and Readmission Agreements were signed and entered into force in January 2014. Their overall implementation was assessed as overall good at the last EU-Armenia Joint Committees, which were held in Yerevan in June 2016.

Agreement between the EU and Armenia on the facilitation of the issuance of visas
Agreement between the EU and Armenia on the readmission of persons residing without authorisation

Important trading partner for Armenia

The EU is the first export destination for Armenian products, and one of Armenia's main trading partners.

The EU imports from Armenia mainly manufactured goods, raw materials, beverages and tobacco. EU exports to Armenia consist of machinery and transport equipment, manufactured goods, and chemicals.

The total value of preferential imports from Armenia into the EU under the Generalised Scheme of Preferences (GSP) has increased, from € 42 million in 2014 to € 108 million in 2016. Armenia's GSP+ utilisation rate is around 92%. The main EU imports Armenia under GSP+ preferences are: base metals (79%), textiles (17%), foodstuffs (2%) and other commodities (2%).

By using the EU Trade Helpdesk – your online database to Europe's market, which came to replace the EU Export Helpdesk it is possible to identify if a preferential duty rate applies to particular product. The portal provides extensive information on rules and requirements related to the export of goods to the EU, including the goods not covered by the GSP+.

More information on EU and Armenia trade relations

Facilitating cooperation in innovation and competitiveness

Negotiations for Armenia's participation to the EU's biggest Research and Innovation Programme HORIZON 2020 were concluded in 2015 and Armenia signed the Association Agreement in May 2016. HORIZON 2020 provides financing for research and innovation and supports Small and Medium-sized Enterprises.

The signature for Armenia's participation in the European COSME programme (Competitiveness of Enterprises and Small and Medium-sized Enterprises) took place at end of 2015. The programme promotes entrepreneurship and entrepreneurial culture, improves access to finance for SMEs and boosts their competitiveness.
The EU Delegation will provide more than EUR 23 million from 2016-2020 to business development in Armenia. The actions will range from Small and Medium Enterprise (SME) policy implementation to access to finance.

Young people involved in EU programmes

There are 21 ongoing Tempus and 5 Erasmus+ Capacity Building projects with involvement of 22 Armenian universities and 31 other organizations including private enterprises, ministries and non-governmental organizations. Each project is implemented over three years with a budget of EUR 20 290 252 and EUR 4 392 388 respectively.

In addition, approximately 800 students and staff of Armenian universities participated in Erasmus Mundus projects and Erasmus Mundus Joint Master Degree Programs over the period 2004-2014. Armenia also participated in the eTwinning plus action, which included 23 schools.

A number of Erasmus+ International Credit Mobility projects are running at Armenian higher education institutions. These projects provide scholarships for bachelor, master, PhD students and staff of universities. So far, 1 443 young Armenians and youth organizations have benefited from Erasmus+ mobility projects and 123 have been involved in the specific activities targeting young people and decision-makers.

Five projects in the Erasmus+ Capacity Building in Higher Education (CBHE) 2015 initiative involve Armenian universities.

Regional programmes

Armenia also participates in regional programmes funded under the ENPI/ENI - mainly environment, energy, transport, culture and youth initiatives, in the Eastern Partnership Flagship Initiatives, in cross-border cooperation and in initiatives open to all Neighbourhood countries: SIGMA, and the Neighbourhood Investment Facility (NIF). The NIF in Armenia targets primarily investment projects in transport infrastructure, financing of small business, waste management, water and energy efficiency.

More information on EU-Armenia cooperation:

a. The European Neighbourhood Policy
b. The Eastern Partnership
c. ENP and Enlargement Negotiations

Summary of EU financial aid

a. European Neighbourhood Instrument (ENI) – funding through a national programme
d. The Neighbourhood Investment platform (NIP)
e. Thematic programmes, e.g. the European Instrument for Democracy & Human Rights
**Partnership and Cooperation Agreement (1999)**

The respect for democracy, principles of international law, human rights, and the market economy are the essential elements on which the EU-Armenia partnership is based.

These elements are outlined in the [Partnership and Cooperation Agreement](#) (PCA).

The PCA with Armenia was signed in April 1996 and entered into force at the beginning of July 1999. Since then the PCA has provided the legal framework for EU-Armenia relations and has underpinned wide-ranging cooperation in the areas of political dialogue, trade, investment, economic, legislative and cultural cooperation. In 2017, this agreement was replaced by the new EU-Armenia Comprehensive and Enhanced Partnership Agreement.

**EU-Armenia Cooperation Council**

The Cooperation Council supervises the implementation of the PCA. It meets at ministerial level once a year. It examines major issues arising within the framework of the PCA and any other bilateral or international issue of mutual interest to help reach the objectives of the PCA. The Cooperation Council may also make appropriate recommendations, by agreement between EU and Armenian representatives.

More information on the EU-Armenia Cooperation Council is available [here](#).

**EU Armenia Cooperation Committee**

The Cooperation Committee meets every half year and monitors the progress in implementing economic/trade chapters of the EU-Armenia Action Plan.

It includes four sub-committees at experts’ level.

- Subcommittee on Justice, Freedom and Security,
- Subcommittee on Transport, Environment and Energy and Nuclear Safety,
- Subcommittee on Social Affairs, Public Health, Training, Education and Youth, Culture, Information Society, Audio-visual, and Science and Technology.
- Subcommittee on Trade

More information on the EU-Armenia Cooperation Committee is available [here](#).

**EU-Armenia Parliamentary Cooperation Committee (PCC)**

The relations between the European Parliament and the Parliament of the Republic of Armenia are conducted within the framework of the Delegation to the Parliamentary Cooperation Committee EU-Armenia. This PCC holds two meetings per year: one at one of the working places of the European Parliament (Brussels and Strasbourg) and one in Armenia.

More information on the EU-Armenia PCC is available [here](#).
**Human Rights Dialogue**

Since 2009, EU and Armenia hold Human Rights Dialogues. Human Rights Dialogues take place once per year (Brussels or Yerevan) and provide an opportunity to discuss in an open and comprehensive way a full range of issues related to the human rights situation in both Armenia and the EU.

[Press release of the 8th EU-Armenia Human Rights Dialogue in 2017](#)

**European Neighbourhood Policy**

The decision taken by the European Council on 14 June 2004 to incorporate the countries of the Southern Caucasus into the framework of the European Neighbourhood Policy (ENP) shows the EU’s willingness to extend its cooperation with Armenia beyond what is provided for under the framework of the Partnership and Cooperation Agreement.

The ENP Action Plan contains concrete goals and actions to be achieved in the short and medium term, and was agreed in November 2006. It covers democratization, human rights, socio-economic reform, poverty alleviation, energy, conflicts and other issues. Yearly progress reports assessed the progress achieved in implementing the Action Plan.

- [Progress Report Armenia (for 2014)](#)
- [Progress Report Armenia (for 2013)](#)
- [Progress Report Armenia (for 2012)](#)
- [Progress Report Armenia (for 2011)](#)
- [Progress Report Armenia (for 2010)](#)
- [Progress Report Armenia (for 2009)](#)

Since 2004, there have been radical changes in a large number of the countries that surround the EU. The European Neighbourhood Policy has therefore undergone a [review](#) in order to propose how the EU and its neighbours can build more effective partnerships. The EU will pursue its interests which include the promotion of universal values. The EU's own stability is built on democracy, human rights and the rule of law and economic openness and the new ENP will take stabilisation as its main political priority in this mandate. The new ENP recognises that not all partners aspire to EU rules and standards, and will reflect the wishes of each country concerning the nature and focus of its partnership with the EU.

In November 2015, the [reviewed ENP](#) was launched by High Representative Mogherini and Commissioner Hahn and endorsed by EU countries in December 2015.

During 2016, the EU and partner countries will jointly identify the so-called Partnership Priorities. In 2017, Armenia as the first Eastern Partnership country jointly agreed on the Partnership Priorities with the European Union.

**Eastern Partnership**

Launched in May 2009, the [Eastern Partnership](#) initiative is designed to further enhance political engagement with Armenia and five other partners. The Eastern Partnership envisages a stronger
political association and economic integration with the EU, with a stronger emphasis on promoting mobility, energy security, transport, agriculture, cooperation in the field of environment protection and cohesion policy.

At the Eastern Partnership Summit in Vilnius in 2013, the EU and Armenia agreed on the need to update the EU-Armenia Action Plan. An agreement was reached to revise the basis for relations, building upon the existing framework for cooperation. The next step is to reflect on how to take this process forward.

The Eastern Partnership was further strengthened in line with commitments at the Riga Summit in 2015. The summit reaffirmed the importance of the reform agenda in the Eastern partners and the need to establish strengthened and more transparent institutions, free from corruption.

November 24, 2017 Summit held in Brussels was a moment to celebrate the achievements of the last two years in the EU's relationships with its six Eastern partners and to look forward to implementing 20 deliverables by 2020 that will bring tangible benefits to citizens.

More information about Brussels Summit is available here:

**Conflict Resolution**

The EU has a strong interest in a politically stable and economically prosperous Southern Caucasus. The Nagorno-Karabakh conflict remains a major impediment to Armenia's socio-economic development and contributes to regional instability.

The EU complements the efforts of the OSCE Minsk Group towards a peaceful settlement of the conflict, including through the EU Special Representative for the South Caucasus and the crisis in Georgia. To promote confidence-building among the conflicting parties, the EU finances people-to-people contacts in the framework of the "European Partnership for the Peaceful Settlement of the Conflict over Nagorno-Karabakh" (EPNK3) and through a small grants programme "Peacebuilding through Capacity Enhancement and Civic Engagement" (PeACE).

**Support to Armenia-Turkey relations**

Since 2013, the EU has supported people-to-people contacts and dialogue contributing to the Armenia-Turkey Normalisation Process.

More information on the ATNP2 Programme is available here.

**Other initiatives**

The need to better tailor the ENP to Eastern neighbours is reflected in a number of complementary political initiatives launched by the EU:

- Strengthened ENP
- Black Sea Synergy
Trade

Closer trade and economic integration with the EU can be a key factor for Armenia's economic growth. Both the EU and Armenia are members of the World Trade Organisation and Armenia benefits from GSP+ under the EU Generalised System of Preferences (GSP). In line with the objectives of the European Neighbourhood Policy and the Eastern Partnership, the EU is committed to improving Armenia's access to the European market and to encouraging further European investment in Armenia.

More information and statistics on EU-Armenia trade relations are available [here](#).

**Preferential regime (GSP+)**

Armenia benefited from the general arrangement of the EU Generalised System of Preferences (GSP) in 2006-2008, which provided preferential access to the EU market in the form of zero duties on 3300 products and reduced tariffs for another 3900.

In December 2008, Armenia qualified for the special incentive arrangement for sustainable development and good governance (GSP+) under the EU GSP Regulation for 2009-2011.

The EU adopted a reformed GSP mechanism on 31 October 2012 and the GSP+ scheme for countries which implement core human rights, labour rights and other sustainable development and good governance conventions.

Under the GSP+, the European Commission monitors Armenia's compliance with its international commitments, in particular the effective implementation of the 27 core international conventions on human rights, labour rights, environmental protection and good governance principles. The first GSP+ monitoring biennial report covering 2014 and 2015 was published on 28th January 2016. Download the report [here](#).

The EU Delegation to Armenia engaged in regular discussions with Armenian authorities and civil society on the implementation of the GSP+ related obligations, including how, Armenia addressed the implementation of the 27 core international conventions.

More information on GSP+ is available [here](#) (European Commission website)

[List of products included in the special incentive arrangement for sustainable development and good governance](#)

Report on the Generalised Scheme of Preferences during the period 2016 - 2017 is available [here](#).

Report on the Generalised Scheme of Preferences during the period 2014 - 2015 is available [here](#).

**Technical and financial co-operation**

The EU is the largest development cooperation donor in Armenia. It has provided assistance to
Armenia since the country gained independence. Annual support has grown progressively since a partnership agreement was signed in 1999.

The financial and technical assistance provided by the EU supports Armenia's development priorities. Currently they are set out in the Armenia Development Strategy until 2030.

Several EU projects assist Armenia to obtain an increasingly close relationship with the EU, to meet EU standards and learn from best practices.

As per 2016, the EU Delegation to Armenia has 129 ongoing projects with a total value of €269 million. While the largest projects reflect the three main priorities above, the EU project portfolio also includes support for agriculture, migration, environment and nuclear safety as well as energy and innovation among others. Armenia is actively engaged in educational programmes, such as ERASMUS+, which also help strengthen relations between the EU and Armenia. Armenia joined the innovative research programme, Horizon 2020, in May 2016. Finally, Armenia benefits annually from the Technical Assistance and Information Exchange via the TAIEX instrument and from Twinning projects with EU specialized institutions.

See also: Key figures on EU assistance to Armenia

[link to factsheet on EU assistance in Armenia.pdf]

Humanitarian aid

ECHO in Armenia

Since 2010, the European Union’s Directorate-General for European Civil protection and Humanitarian Aid Operations (ECHO) has been implementing a Disaster Risk Reduction (DRR) program in the South Caucasus: DIPECHO (acronym for Disaster Preparedness ECHO). The programme aims at strengthening communities highly exposed to natural hazards such as earthquakes, floods, hailstorms and droughts. It boosts the communities' capacities to react, respond and recover in case of disaster. In Armenia, EU funding for DIPECHO projects has reached almost €4 million and the current, fourth phase of the programme was launched on 28 June 2015:

DIPECHO is a proven model to save lives and livelihoods with some of the achievements being: DRR awareness significantly increased at all levels; introduction of DRR in School curriculum; inclusive DRR education to reduce the vulnerability of disadvantaged children; innovative pilot projects linking DRR with Climate Change Adaptation; strengthening capacities of disaster management authorities, national organizations and communities, and gradually include DRR in government policies and development plans.

The current DIPECHO partners in Armenia are: UNDP (Syunik Marz), UNICEF (countrywide), Save the Children (Lori, Yerevan, Kapan, Armavir), Armenian Red Cross (Shirak Marz), Oxfam (Tavush Marz) and United Nations International Strategy for Disaster Reduction (UNISDR).

Read more here:

Documents

EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA)
EaP Summit Declaration
20 Deliverables for 2020
EU Country Roadmap for Engagement with Civil Society: 2018-2020

See also

ECHO in the country
EU-ARM Common Aviation Agreement
www.eeas.europa.eu

Source URL: